

The House Committee on Ways and Means offers the following substitute to HB 1276:

A BILL TO BE ENTITLED

AN ACT

To amend Article 2 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to joint county and municipal sales and use taxation, so as to define qualified service districts; to authorize allocation of proceeds to qualified service districts; to require a millage adjustment; to provide for legislative intent; to provide an effective date; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Article 2 of Chapter 8 of Title 48 of the Official Code of Georgia Annotated, relating to joint county and municipal sales and use taxation, is amended by enacting a new Code section to read as follows:

"48-8-80.1.

As used in this article, the term 'qualified service district' means a service district created to pay, wholly or partially, the cost of providing county government services therein and to construct and maintain facilities therefor. The term is applicable only to service districts created by local constitutional amendment for the provision of county fire services where such county service to be provided in the qualified service district is not generally provided county wide within the special district created pursuant to Code Section 48-8-81."

SECTION 2.

Said article is further amended by revising Code Section 48-8-91, relating to conditions precedent to imposing the joint sales and use tax, millage rate adjustments, formulas, information required on tax bills, and other matters, by adding a new subsection (c) to read as follows:

"(c)(1) Notwithstanding the provisions of subsection (a) of this Code section, where a county has a qualified service district as defined in Code Section 48-8-80.1, the governing authority of the county may, in its discretion, allocate proceeds of the tax

distributed to the county in accordance with the distribution certificate required by subsection (b) of Code Section 48-8-89 to assist such county in funding all or any portion of the services provided by or through the county to residents or properties located within a qualified service district. Where proceeds of the tax are allocated to a qualified service district, the county shall annually reduce the millage rate for ad valorem taxation of tangible property within such qualified service district in the same manner described in subsection (a) of this Code section.

(2) A county governing authority that allocates a portion of the proceeds distributed to the county to a qualified service district may not allocate an amount that is in excess of the ad valorem tax levied for the provision of services to residents or properties located in the qualified service district.

(3) The intent of this subsection is to recognize that county governing authorities provide certain county services on a county-wide basis to all residents and properties within the geographical boundary of the county corresponding with and conterminous with the geographical boundary of the special district and to recognize that certain county governing authorities, in addition to providing such countywide services, provide county services that are established to serve residents and properties within a service district in a manner similar to the manner in which municipalities provide services not otherwise provided by the county to residents or properties within the boundaries of the municipality. The further intent of this subsection is to allow a county governing authority to allocate its proceeds from the joint sales and use tax authorized by this article in a manner in which the governing authority determines to be fair and equitable to residents and property owners of the county, including residents and property owners within a qualified service district, based on the services provided by the county governing authority.

(4) The allocation of proceeds authorized by this Code section shall only apply to those counties where the tax authorized by this article is approved in a referendum after July 1, 2008."

SECTION 3.

This Act shall become effective upon its approval by the Governor or upon its becoming law without such approval.

SECTION 4.

All laws and parts of laws in conflict with this Act are repealed